

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 Fremont Street
San Francisco, CA 94105**

NOTICE

**TO: ALL ADMITTED PROPERTY AND CASUALTY INSURERS
LICENSED TO WRITE PRIVATE PASSENGER AUTOMOBILE
INSURANCE, AND OTHER INTERESTED PERSONS**

SUBJECT: PROPOSED AUTOMOBILE RATING FACTOR REGULATIONS

DATE: JUNE 7, 2006

The purpose of this Notice is to provide advance notice to affected licensees and interested members of the public of the status of an important rulemaking proceeding. On June 5, 2006, the Office of Administrative Law (OAL) received the Commissioner's rulemaking file, concerning the automobile rating factors weight ordering methodology. This rulemaking file concerns substantive changes to Title 10, California Code of Regulations sections 2632.5, 2632.8 and 2632.11.

Government Code section 11349.3 establishes that OAL must either approve and file a regulation with the Secretary of State or disapprove the rulemaking file within 30 working days of the date the regulation is submitted to the office for review. Assuming that OAL will require the full 30 working days to complete its review, it is a reasonable possibility that the Commissioner's regulations will be filed with the Secretary of State by July 18th. As provided in the pending regulations, insurers will have 30 days from the day that the regulations are filed with the Secretary of State to submit filings in accordance with the pending regulations.

Therefore, to the extent that any insurer has not already begun the process of preparing the relevant submissions to the Department, the Commissioner strongly encourages every affected private passenger automobile insurer to begin the necessary preparations immediately in order to ensure a smooth transition for the implementation of these pending regulations.

Dated: June 7, 2006


JOHN GARAMENDI
Insurance Commissioner